

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1885 - SB 2591

March 16, 2014

SUMMARY OF BILL: Restricts the offense of unlawful carrying or possession of a weapon to only apply to individuals who are prohibited from purchasing, owning, or possessing a firearm.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – \$4,807,800/FY14-15
\$4,866,000/FY15-16 and Subsequent Years

Decrease State Expenditures – \$3,250,000/Recurring

Decrease Local Revenue – \$403,200/Recurring

Assumptions:

- Under current law, it is an offense for anyone to carry a firearm, a knife over 4 inches long, or a club with the intent to go armed. It is a defense to this offense that the person was authorized to possess or carry the firearm pursuant to Tenn. Code Ann § 39-17-1315 or 39-17-1351, when the person had a valid handgun carry permit.
- The proposed legislation would allow Tennessee residents who were not otherwise prohibited from purchasing, owning, or possessing a firearm to carry firearms, knives, and clubs with the intent to go armed without a handgun carry permit.
- The Department of Safety and Homeland Security (DOSHS) assumes that 50 percent of Tennesseans who apply for handgun permits each year (53,760) would not apply for a handgun carry permit ($53,760 \times .5 = 26,880$) and that 50 percent of permit holders up for renewal (84,792 in FY14-15) would not renew their permits ($84,792 \times .5 = 42,396$).
- The DOSHS assumes a 50 percent reduction, or \$3,250,000, in expenditures relative to handgun carry permits not being processed ($\$6,500,000 \times .5$).
- Applicants for a new handgun carry permit pay a \$115 fee (\$100 to the state and \$15 to local government). One must pay a \$50 fee to renew a handgun carry permit.
- In FY14-15, the decrease in state revenue will be \$4,807,800 [$(26,880 \times \$100) + (42,396 \times \$50)$]. The recurring decrease in local revenue is \$403,200 ($26,880 \times \15).
- According to the DOSHS, the number of new applicants that apply each year is expected to stay constant.

- In FY15-16 the expected number of renewals is 87,120. The proposed legislation would result in only 43,560 seeking renewal ($87,120 \times .5$). It is assumed that this number will remain constant after FY15-16.
- The decrease in state revenue in FY15-16 and subsequent years is \$4,866,000 [$(26,880 \times \$100) + (43,560 \times \$50)$].

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise'.

Lucian D. Geise, Executive Director

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